

§ 17.140

§ 17.140 Miscellaneous provisions: correspondence with the Department.

The employee shall file an original and two copies of a request for a hearing with the Clerk, Office of the Chief Administrative Law Judge, Room 2158, Department of HUD, Washington, DC 20410, on official work days between the hours of 8:45 a.m. and 5:15 p.m. All other correspondence shall be submitted to the Department Claims Officer, Department of Housing and Urban Development, Washington, DC 20410. Documents may be filed by personal delivery or mail. All documents shall be printed, typewritten, or otherwise processed in clear, legible form and on letter-size paper.

IRS TAX REFUND AND FEDERAL PAYMENT OFFSET PROVISIONS AND ADMINISTRATIVE WAGE GARNISHMENT

SOURCE: Sections 17.150 through 17.161 appear at 51 FR 39750, Oct. 31, 1986, unless otherwise noted.

§ 17.150 Scope.

(a) The standards set forth in §§ 17.150 through 17.161 are the Department's procedures for requesting the Department of the Treasury to offset Federal payments due debtors who have a past-due debt obligation to the Department. These procedures apply to the collection of debts under common law, 31 U.S.C. 3716 or other statutory authority.

(b) The Secretary will use the Department of the Treasury's Federal payment offset to collect claims which are certain in amount, past due and legally enforceable, and which are eligible for tax refund or Federal payment offset under regulations issued by the Secretary of the Treasury.

(c) The Secretary will report debts to the Department of the Treasury for the purpose of using the offset procedures described in §§ 17.150 through 17.161. Debts of less than \$100.00, exclusive of interest and other charges, will not be reported.

(d) If not legally enforceable because of lapse of statute of limitations but otherwise valid, the debt will be reported to the IRS as a cancelled debt on Form 1099C. (Form 1099C is an information return which Government

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agencies file with the IRS and the Department of the Treasury to report forgiven debt, and the forgiven amount is considered income to the taxpayer.) (See § 17.159.)

[67 FR 47435, July 18, 2002]

§ 17.151 Notice requirements before offset.

A request for deduction from a Federal payment will be made only after the Secretary makes a determination that an amount is owed and past due and provides the debtor with 65 calendar days written notice. This Notice of Intent will state:

(a) The nature and amount of the debt;

(b) That unless the debt is repaid within 65 days from the date of the Notice, the Secretary intends to collect the debt by requesting the Department of Treasury to reduce any amounts payable to the debtor by an amount equal to the amount of the debt and all accumulated interest and other charges;

(c) That the debtor has a right to obtain review within the Department of the Secretary's initial determination that the debt is past due and legally enforceable (see § 17.152);

(d) That the debtor has a right to inspect and copy departmental records related to the debt as determined by the Secretary and will be informed as to where and when the inspection and copying can be done after the Department receives notice from the debtor that inspection and copying are requested. (See § 17.155.)

[51 FR 39750, Oct. 31, 1986, as amended at 67 FR 47435, July 18, 2002]

§ 17.152 Review within the Department of a determination that an amount is past-due and legally enforceable.

(a) *Notification by debtor.* A debtor who receives a Notice of Intent has the right to present evidence that all or part of the debt is not past-due or not legally enforceable. The debtor should send a copy of the Notice of Intent with a letter notifying the HUD Board of Contract Appeals within 25 calendar days from the date of the Department's Notice of Intent that he or she intends to present evidence. (See § 17.161(a) for